GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:274
ANSWERED ON:10.08.2000
SET BACK TO TEXTILE INDUSTRY
RATTAN LAL KATARIA

Will the Minister of TEXTILES be pleased to state:

(a) whether Indian Textile Industry has suffered a set-back as a result of imported fabrics in the Indian market;

(b) if so, whether the imported fabrics pose a threat to the mills already on the verge of closure; and

(c) if so, the scheme formulated by the Government to combat this situation ?

Answer

MINISTER FOR TEXTILES (SHRI KASHIRAM RANA)

(a) to (c) A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (c) of Lok Sabha Starred Question No. 274 for answer on 10-08-2000.

(a) to (c) : Though the import of fabrics have shown an increase, the quantity of imports is not even one percent in comparison with the total quantity of fabrics produced in the country. Besides, a part of import of fabrics is against advance licences for value added exports.

Government is keeping a watch on the imports and would strive to ensure that imports do not cause any serious detriment or injury to the domestic industry. In case any unfair trade practices come to the notice, action, if necessary, under anti-dumping, countervailing measures etc. of WTO could be taken.
Government have been taking several steps from time to time to protect and strengthen the textile industry and to make it internationally competitive. Some of the important initiatives are as under:-

1) The Technology Upgradation Fund Scheme (TUF) has been made operational from 1-4-1999 to facilitate the modernisation and Upgradation of this sector so that it can become more competitive in international trade.

2) The facility to import capital goods under Export Promotion Capital Goods (EPCG) Scheme at 5% concessional rate of duty.

3) Zero Duty import of certain categories of trimmings & embellishments.

4) Government has recently launched Technology Mission for Cotton. One of the important ingredients of the Mission is to improve cotton processing facilities by upgrading/modernising the existing ginning and pressing factories.

5) Allowing foreign equity participation upto 100%, through automatic route, in the textile sector with certain exceptions.

6) To prepare and sensitise our textile and garment industry to conform to the ecological requirements of importing countries by providing facilities by way of eco-testing laboratories.

7) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry in the field of design, merchandising and marketing.

8) The New Exporters` Entitlement (Quota) Policies announced for the period 2000-2004 to provide stability and continuity and encourage competitiveness in textile exports.